

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**November 14, 2001**

**IN RE:**

**UNITED CITIES GAS COMPANY WEATHER  
NORMALIZATION ADJUSTMENT AUDIT**

)  
)  
)  
)  
)

**DOCKET NO.  
01-00593**

---

**ORDER ADOPTING WNA AUDIT REPORT OF THE ENERGY AND WATER  
DIVISION OF THE TENNESSEE REGULATORY AUTHORITY**

---

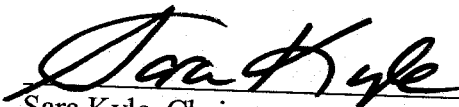
This matter came before the Tennessee Regulatory Authority (the "Authority") at a regularly scheduled Authority Conference held on October 9, 2001, for the consideration of the audit findings of the Authority's Energy and Water Division (the "Staff") after review of United Cities Gas Company's ("UCG" or the "Company") Weather Normalization Adjustment ("WNA") for the period November 1, 2000 through April 30, 2001. The WNA Audit Report, attached hereto as Exhibit A and incorporated in this Order by this reference, reports two findings for the audit period under review. The first finding is a \$40,614 over-recovery of gas costs due to the Company's use of inaccurate actual daily heating degree days in calculating the WNA factor for twenty-six (26) days. The second finding is an over-recovery of \$7,269 because customers were billed a WNA adjustment in the first two May 2000 billing cycles. The WNA period runs from November 1 through April 30. According to the Audit Report, the Company agrees with both findings and has stated that it has installed a download program that should reduce manual input errors related to the first finding and has also taken steps to prevent the second finding from happening in the future. The Audit Report further states that the net over-

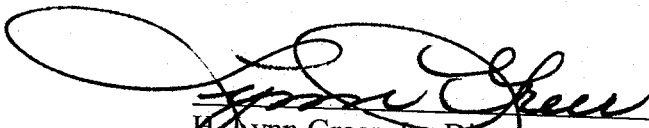
collection of gas costs based on the two findings is immaterial and the Staff recommends that the Company include this over-collection in its next Refund Due Customers filing with the Authority. As stated in the Audit Report, the Staff concludes that UCG is correctly implementing the mechanics of the WNA Rider as specified by the Authority and included in the Company's tariff.

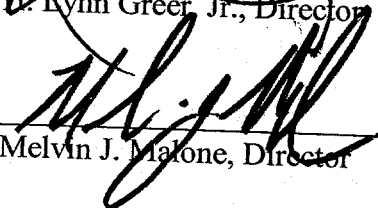
After consideration of the WNA Audit Report, the Authority unanimously approved the findings and conclusion contained therein.

**IT IS THEREFORE ORDERED THAT:**

1. The WNA Audit Report, a copy of which is attached to this order as Exhibit A, is approved and adopted, including the findings and conclusions contained therein, and is incorporated in this Order as if fully rewritten herein; and
2. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from the date of this Order.

  
Sara Kyle, Chairman

  
W. Lynn Greer, Jr., Director

  
Melvin J. Malone, Director

ATTEST:

  
K. David Waddell, Executive Secretary